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MEMBERSHIP

January 30, 2024

## Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: ALPS LOGISTICS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 9055  
 URL: <https://www.alps-logistics.com/jp/ir/>  
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 Scheduled date to file quarterly securities report: February 8, 2024  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on quarterly financial results: None  
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2023	89,505	(4.0)	4,554	(32.0)	4,879	(33.6)	2,879	(32.1)
December 31, 2022	93,235	9.2	6,695	41.4	7,346	60.7	4,240	59.4

Note: Comprehensive income For the nine months ended December 31, 2023: ¥4,002 million [(23.5)%]  
 For the nine months ended December 31, 2022: ¥5,229 million [32.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2023	81.23	81.07
December 31, 2022	119.72	119.44

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
December 31, 2023	100,400	64,026	58.9	1,666.88
March 31, 2023	97,283	62,257	58.9	1,618.10

Reference: Equity  
 As of December 31, 2023: ¥59,108 million  
 As of March 31, 2023: ¥57,324 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	16.00	—	28.00	44.00
Fiscal year ending March 31, 2024	—	22.00	—		
Fiscal year ending March 31, 2024 (Forecast)				22.00	44.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2024	123,000	1.5	6,700	(16.7)	6,200	(29.5)	3,800	(24.5)	107.26

Note: Revisions to the earnings forecasts most recently announced: None

**\* Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common stock)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	35,488,600 shares
As of March 31, 2023	35,474,400 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2023	27,928 shares
As of March 31, 2023	47,488 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	35,449,143 shares
Nine months ended December 31, 2022	35,416,995 shares

- \* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.
- \* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including the earnings forecasts shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

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## 1. Qualitative information on quarterly financial statements

### (1) Explanation of operating results

During the nine months ended December 31, 2023 (April-December 2023), with regard to the global economy, the employment environment and personal consumption remained firm in the United States, and the economy as a whole remained resilient. In Europe, despite an easing trend in inflationary pressure, there is a slowdown in the economy due to the effects of monetary tightening. In China, factors such as the slump in real estate sales and stagnant exports resulting from weak global demand for goods continue to sap the strength from economic growth. In Japan, the economy showed signs of gentle recovery centered on inbound consumption, and in the manufacturing industry, production for automobiles, whose sales have been firm, increased. However, sales of industrial machinery and electronic components remained weak despite headway being made in inventory adjustments.

In this business environment, we continue to follow our basic policy of “Friendly to Earth and society, pursuing and evolving optimal logistics” and promote the following strategies and policies to expand our business on a global scale in the current fiscal year, which is the second year of the three-year Fifth Medium-Term Business Plan.

- (i) GTB (Get The Business / Expansion of markets and products):  
Expand business domains, enhance the global network, and expand structures for cooperative creation and alliances.
- (ii) GTP (Get The Profit / Improvement of direct and indirect productivity):  
Promote labor saving and automation, expand strategic investment and reap the rewards, and take on the challenge of DX.
- (iii) GTC (Get The Confidence / Driving Sustainability):  
Strengthen ESG compliance, ensure safety and high quality, and maintain and strengthen non-financial capital.

Financial results for the nine months ended December 31, 2023 showed ¥89,505 million in net sales (down 4.0% year on year), ¥4,554 million in operating profit (down 32.0%), ¥4,879 million in ordinary profit (down 33.6%) and ¥2,879 million in profit attributable to owners of parent (down 32.1%).

#### Overview of segments

##### (i) Electronic components logistics business

In the electronic components industry, which is the main customer of this business, although the production of automotive components was on a recovery trend mainly due to the semiconductor shortage being resolved, production of components of industrial machinery remained weak due to sluggish capital investment. Production of consumer equipment and telecommunications and IT equipment such as personal computers and smartphones remained stagnant.

During the nine months ended December 31, 2023, the Company focused on such initiatives as expanding warehouse space and conducting sales promotion to new customers. However, net sales decreased due to a decline in cargo handling volume caused by stagnant production, a decrease in air freight and the intensifying competitive environment in regard to international transportation, and other factors. Despite efforts to improve productivity, profits decreased due to the impact of factors such as deteriorating efficiency associated with the stagnation of shipments.

Financial results for this segment showed ¥47,357 million in net sales (down 11.6% year on year) and ¥2,709 million in operating profit (down 42.8%).

##### (ii) Material sales business

In the material sales business, the Company sells electronic component-related packaging materials, molding materials, and electronic devices. The Company specializes in proposals for electronic device procurement agency services with integrated procurement and logistics, as well as proposals of packing materials aimed at improving logistics.

During the nine months ended December 31, 2023, net sales increased due to an increase in sales of electronic devices for automotive components to overseas. Meanwhile, profits decreased due to the impact of factors such as the rising cost of sales ratio.

Financial results for this segment showed ¥20,347 million in net sales (up 9.1% year on year) and ¥878 million in operating profit (down 7.7%).

(iii) Consumer products logistics business

In the consumer products logistics field, demand is expanding in conjunction with growth in delivery services and mail-order businesses, while the industry overall faces challenges in securing and developing human resources, such as drivers.

In this business environment, Ryutsu Service Co., Ltd., which handles the Group's consumer logistics, is working to incorporate intercompany logistics, which corresponds to the upstream area of the consumer logistics sector, and to expand the product center operations, such as medical and cosmetics, as well as expand the consumer cooperative delivery business.

During the nine months ended December 31, 2023, the volume was maintained at the same level year on year through expanding the area of consumer cooperative deliveries and other measures. In mail-order and EC logistics, net sales increased mainly due to firm shipments. Despite efforts to improve efficiency and reduce fixed costs through automation, profits decreased due to increased costs, including higher rents on expanded warehouse space and depreciation.

Financial results for this segment showed ¥21,800 million in net sales (up 3.8% year on year) and ¥966 million in operating profit (down 4.1%).

## (2) Explanation of financial position

Compared with the end of the previous fiscal year, assets, liabilities and net assets at the end of the third quarter of the fiscal year ending March 31, 2024 are as follows.

For assets, current assets increased by ¥74 million, mainly due to an increase of trade notes and accounts receivable, despite a decrease of cash and deposits. Non-current assets increased by ¥3,042 million, mainly due to an increase of property, plant and equipment. As a result, total assets were ¥100,400 million, an increase of ¥3,116 million compared with the end of the previous fiscal year.

For liabilities, current liabilities increased by ¥710 million, mainly due to an increase of trade accounts payable. Non-current liabilities increased by ¥637 million, mainly due to an increase of other including lease liabilities. As a result, total liabilities were ¥36,374 million, an increase of ¥1,348 million compared with the end of the previous fiscal year.

Net assets increased by ¥1,768 million from the end of the previous fiscal year to ¥64,026 million, mainly reflecting an increase due to securing profits and an increase of foreign currency translation adjustment, partially offset by a decrease due to the payment of dividends.

Equity-to-asset ratio was 58.9%, the same as what it was at the end of the previous fiscal year.

## (3) Explanation of consolidated earnings forecasts and other forward-looking statements

The full-year consolidated earnings forecasts for the fiscal year ending March 31, 2024 have not changed from the forecast disclosed in "Consolidated Financial Results for the Fiscal Year Ended March 31, 2023" on April 28, 2023.

**2. Quarterly consolidated financial statements and significant notes thereto****(1) Quarterly consolidated balance sheet**

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	27,264	25,396
Trade notes and accounts receivable	17,578	19,262
Merchandise	1,968	2,025
Other	2,740	2,942
Allowance for doubtful accounts	(17)	(18)
Total current assets	49,534	49,608
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,609	12,805
Land	18,008	18,060
Other, net	10,062	12,801
Total property, plant and equipment	40,680	43,667
Intangible assets		
Other	3,862	3,875
Total intangible assets	3,862	3,875
Investments and other assets		
Investment securities	177	252
Other	3,029	2,999
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	3,206	3,249
Total non-current assets	47,749	50,792
Total assets	97,283	100,400
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	11,147	13,022
Short-term borrowings	2,918	2,834
Income taxes payable	1,262	236
Provision for bonuses	1,972	957
Provision for bonuses for directors	—	24
Other	6,166	7,101
Total current liabilities	23,467	24,178
Non-current liabilities		
Long-term borrowings	4,200	4,200
Provision for retirement benefits for directors	37	33
Retirement benefit liability	1,938	2,034
Other	5,383	5,928
Total non-current liabilities	11,558	12,196
Total liabilities	35,026	36,374

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Share capital	2,349	2,353
Capital surplus	2,030	2,049
Retained earnings	50,956	52,063
Treasury shares	(33)	(19)
Total shareholders' equity	55,301	56,446
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	46	98
Foreign currency translation adjustment	2,165	2,725
Remeasurements of defined benefit plans	(189)	(162)
Total accumulated other comprehensive income	2,022	2,661
Share acquisition rights	53	44
Non-controlling interests	4,879	4,873
Total net assets	62,257	64,026
Total liabilities and net assets	97,283	100,400



**(2) Quarterly consolidated statement of income and comprehensive income**  
**For the nine months ended December 31, 2022 and 2023**

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	93,235	89,505
Cost of sales	80,746	78,687
Gross profit	12,488	10,817
Selling, general and administrative expenses	5,793	6,263
Operating profit	6,695	4,554
Non-operating income		
Interest income	63	76
Dividend income	6	10
Foreign exchange gains	522	348
Other	279	132
Total non-operating income	871	568
Non-operating expenses		
Interest expenses	200	199
Other	20	44
Total non-operating expenses	220	243
Ordinary profit	7,346	4,879
Extraordinary income		
Gain on sale of non-current assets	3	8
Gain on sale of investment securities	0	—
Total extraordinary income	3	8
Extraordinary losses		
Loss on sale and retirement of non-current assets	19	27
Loss on disaster	85	—
Total extraordinary losses	104	27
Profit before income taxes	7,245	4,860
Income taxes - current	1,776	1,284
Income taxes - deferred	351	314
Total income taxes	2,127	1,598
Profit	5,117	3,261
Profit attributable to		
Profit attributable to owners of parent	4,240	2,879
Profit attributable to non-controlling interests	877	382
Other comprehensive income		
Valuation difference on available-for-sale securities	31	51
Foreign currency translation adjustment	51	660
Remeasurements of defined benefit plans, net of tax	27	28
Total other comprehensive income	111	740
Comprehensive income	5,229	4,002
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,395	3,518
Comprehensive income attributable to non-controlling interests	833	483

**(3) Notes to the quarterly consolidated financial statements****Notes on premise of going concern**

Not applicable.

**Notes on significant changes in the amount of shareholders' equity**

Not applicable.

**Segment information****I. For the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)**

The amounts of net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Adjustment	Per quarterly consolidated financial statements (Note)
	Electronic components logistics business	Material sales business	Consumer products logistics business	Total		
Net sales						
Net sales from external customers	53,582	18,642	21,010	93,235	—	93,235
Transactions with other segments	—	—	—	—	—	—
Total	53,582	18,642	21,010	93,235	—	93,235
Segment profit	4,736	951	1,007	6,695	—	6,695

(Note) Segment profit is the same as operating profit in the quarterly consolidated financial statements.

**II. For the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)**

The amounts of net sales and profits or losses by reportable segment

(Millions of yen)

	Reportable segment				Adjustment	Per quarterly consolidated financial statements (Note)
	Electronic components logistics business	Material sales business	Consumer products logistics business	Total		
Net sales						
Net sales from external customers	47,357	20,347	21,800	89,505	—	89,505
Transactions with other segments	—	—	—	—	—	—
Total	47,357	20,347	21,800	89,505	—	89,505
Segment profit	2,709	878	966	4,554	—	4,554

(Note) Segment profit is the same as operating profit in the quarterly consolidated financial statements.